COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT) CASE NO. OF PEAKS MILL WATER DISTRICT) 2009-00232

ORDER

On June 23, 2009, Peaks Mill Water District ("Peaks Mill") filed an application for approval to adjust its rates pursuant to the purchased water adjustment procedure. Peaks Mill's proposed adjustment is based on a decrease in the wholesale water rates of the Frankfort Electric and Water Plant Board ("Plant Board"), as ordered in Case No. 2008-00250. Because the Plant Board placed its proposed rates into effect prior to resolution of the case pursuant to KRS 278.190, the Commission ordered it to refund funds collected in excess of the approved rate. The Plant Board has notified the Commission that it has credited each of its public utility customer accounts with the refund amount.

807 KAR 5:068, Section 2(4), states, "In the event a water district or water association receives a refund from its supplier for amounts previously paid, the water district or water association shall immediately apply to the commission for authority to

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2008-00250, Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Electric and Water Plant Board (Ky. PSC Apr. 6, 2009).

³ Letter from Hance Price, counsel for the Plant Board, to Jeff Derouen, Executive Director, Public Service Commission (June 3, 2009).

make adjustments on the amounts charged customer's bills under this administrative regulation" Although Peaks Mill has not yet applied to the Commission for authority to make refunds to its customers, the Commission, on its own motion, finds it appropriate to consider this issue in this proceeding.

IT IS THEREFORE ORDERED that:

- 1. The Commission shall consider the appropriate refund owed to Peaks Mill's customers pursuant to 807 KAR 5:068, Section 2(4), in this proceeding.
- 2. Peaks Mill shall, no later than five business days from the date of this Order, file with the Commission the original and five copies of the information listed in the Appendix to this Order.
- a. Each response shall be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.
- b. Peaks Mill shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.
- c. For any request to which Peaks Mill fails or refuses to furnish all or part of the requested information, Peaks Mill shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

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By the Commission

ENTERED

JUN 3 0 2009 A KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Case No. 2009-00232

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2009-00232 DATED JUN 3 0 2009

- 1. Identify the total refund Peaks Mill received from the Plant Board.
- 2. State how often Peaks Mill bills its customers (e.g., monthly or quarterly).
- 3. Identify the approximate date on which Peaks Mill reads its customers' meters.
- 4. Identify the approximate date on which Peaks Mill sends bills to its customers.
- 5. Identify the approximate date on which Peaks Mill's customers' bills are due to Peaks Mill.
- 6. State whether Peaks Mill prefers to provide refunds over a one- or two-month period.
- 7. State the month or months in which Peaks Mill prefers to send out bills to its customers with the refund.
- 8. Estimate the number of gallons of water Peaks Mill will sell to its customers during July and August 2009.
 - 9. Describe how Peaks Mill determined its estimate in Item 8 above.

Church Quarles Peaks Mill Water District 310 Perkins Road Frankfort, KY 40601